



REVENUE
↑13%
 TO R590,2 MILLION

EBITDA
↑10%
 TO R187,5 MILLION

EPS AND HEPS
↑17%
 TO 25,5 CENTS PER SHARE

DIVIDEND
↑47%
 TO 11,0 CENTS PER SHARE

PRELIMINARY AUDITED GROUP RESULTS for the year ended 30 June 2013

Summarised income statement

R'000	Note	Audited 12 months ended 30 June 2013	Audited 12 months ended 30 June 2012
Revenue		590 163	523 731
Earnings before interest, taxation and depreciation and amortisation (EBITDA)		187 492	171 085
Depreciation		(27 724)	(23 184)
Operating profit before finance costs		159 768	147 901
Net finance costs		(16 566)	(21 026)
Finance income		3 541	2 301
Finance costs		(20 107)	(23 327)
Profit before taxation		143 202	126 875
Taxation	1	(35 135)	(35 729)
Profit for the year		108 067	91 146
Attributable to:			
Owners of the parent		106 753	89 471
Non-controlling interests		1 314	1 675
Attributable profit		108 067	91 146
Further information			
Number of ordinary shares in issue (thousands)		420 253	416 170
Weighted average number of ordinary shares in issue (thousands)		418 978	411 731
Basic earnings per ordinary share		25,5	21,7
Basic earnings per ordinary share (cents)		25,5	21,7
Diluted earnings per ordinary share		25,2	21,5
Diluted earnings per ordinary share (cents)		25,2	21,5
Headline earnings per ordinary share		25,5	21,7
Headline earnings per ordinary share (cents)		25,5	21,7
Dividend per ordinary share		11,0	7,5
Interim dividend per ordinary share – paid (cents)		4,5	3,0
Final dividend per ordinary share – proposed/paid (cents)		6,5	4,5

Summarised statement of comprehensive income

R'000	Note	Audited 12 months ended 30 June 2013	Audited 12 months ended 30 June 2012
Profit for the year		108 067	91 146
Other comprehensive income for the year net of tax		1 334	(621)
Hedge accounting for fair value on interest rate swaps		1 573	(751)
Currency movement on translation of foreign subsidiary		(239)	130
Total comprehensive income for the year		109 401	90 525
Attributable to:			
Owners of the parent		108 204	88 786
Non-controlling interests		1 197	1 739

Summarised statement of financial position

R'000	Note	Audited as at 30 June 2013	Audited as at 30 June 2012
ASSETS			
Non-current assets		550 540	508 744
Property		207 451	179 442
Plant and equipment		170 405	156 257
Goodwill		171 666	171 666
Deferred taxation		1 018	1 379
Current assets		144 710	149 087
Inventories		10 219	15 556
Trade receivables		99 768	79 526
Other receivables		8 514	6 515
Taxation		311	1 524
Bank balances		25 898	45 966
Total assets		695 250	657 831
EQUITY AND LIABILITIES			
Equity and reserves		461 012	385 254
Equity attributable to owners of the parent		457 364	382 803
Non-controlling interests		3 648	2 451
Non-current liabilities		117 327	180 191
Interest-bearing liabilities	2	104 812	168 485
Deferred taxation		12 515	11 706
Current liabilities		116 911	92 386
Trade payables		61 956	48 562
Deferred revenue		10 601	11 686
Bank overdraft		576	42
Provisions		1 989	1 939
Taxation		5 720	–
Interest-bearing liabilities	2	36 069	30 157
Total equity and liabilities		695 250	657 831
Net asset value per ordinary share (cents)		108,8	91,8

- Notes:**
- For the current year there was no Secondary Taxation on Companies due to the change to withholding tax. (30 June 2012: R2,3 million)
 - Long-term interest-bearing liabilities include the Metr@file (Pty) Limited amortising and bullet loans which have a remaining 33-month tenure as well as loan agreements entered into by Cleardata (Pty) Limited in order to finance mobile shredding units. Short-term interest-bearing liabilities include the portions of the Metr@file (Pty) Limited amortising loan and Cleardata loan agreements payable within one year. The group's total borrowings are 75% hedged after having pre-paid R60 million against the bullet loan (30 June 2012: 70%). The Metr@file (Pty) Limited borrowings are JIBAR linked and are hedged by way of the interest rate swaps, which expire on 30 September 2014, whilst the Cleardata (Pty) Limited borrowings are prime linked and are unhedged.
 - The majority of the group's properties have been pledged as security against certain loans to the group whilst the accounts receivable and inventory were released from the security package during the current financial year.

Reconciliation of headline earnings

R'000	Audited 12 months ended 30 June 2013	Audited 12 months ended 30 June 2012
Profit attributable to owners of the parent	106 753	89 471
Profit on sale of plant and equipment	(168)	(24)
Tax effect of above items	47	7
Headline earnings	106 632	89 454
Headline earnings per ordinary share (cents)	25,5	21,7

Summarised segmental information

R'000	Revenue		EBITDA	
	Audited 12 months ended 30 June 2013	Audited 12 months ended 30 June 2012	Audited 12 months ended 30 June 2013	Audited 12 months ended 30 June 2012
Metr@file Records Management	476 657	416 212	132 540	115 568
CSX Customer Services	71 362	72 156	2 426	8 420
Property Companies	–	–	42 865	39 145
Other	53 081	45 627	9 661	7 952
Inter-group	(10 937)	(10 264)	–	–
Total	590 163	523 731	187 492	171 085
	Operating profit		Tangible assets	
	Audited 12 months ended 30 June 2013	Audited 12 months ended 30 June 2012	Audited 12 months ended 30 June 2013	Audited 12 months ended 30 June 2012
Metr@file Records Management	110 682	97 059	256 900	240 228
CSX Customer Services	1 793	7 870	23 215	26 887
Property Companies	42 865	39 145	207 771	179 442
Other	4 428	3 827	35 697	39 608
Total	159 768	147 901	523 583	486 165

"Metr@file Records Management" represents the Metr@file record storage, records management, data protection and scanning business units which are managed and operated geographically.

"Other" includes Metr@file Holdings Limited, Africa operations, Rainbow Paper Management, Cleardata and, with effect from 1 March 2012, Global Continuity.

Finance costs have not been reflected on the segmental report as R16,5 million of the total R20,1 million charge relates to Metr@file (Pty) Limited which encompasses the "Metr@file Records Management" and "CSX Customer Services" divisions; the balance of the finance costs relate to Cleardata (Pty) Limited.

Summarised statement of cash flows

R'000	Audited 12 months ended 30 June 2013	Audited 12 months ended 30 June 2012
Cash generated from operations before net working capital changes	194 216	172 914
Increase in net working capital	(4 544)	(17 775)
Cash generated from operations	189 672	155 139
Net finance costs paid	(16 566)	(21 026)
Dividends declared	(37 639)	(22 608)
Normal taxation paid	(27 032)	(34 325)
Net cash inflow from operating activities	108 435	77 180
Net cash outflow from investing activities:		
Investment in property, plant and equipment: expansion	(62 392)	(35 201)
Investment in property, plant and equipment: replacement	(8 624)	(8 517)
Proceeds on disposal of property, plant and equipment	849	945
Increase in shareholding of subsidiary and acquisition of business	–	(11 300)
Net cash outflow from financing activities:		
Issue of shares in terms of vendor placements	–	11 300
Loans repaid	(92 870)	(26 064)
Loans raised	34 000	–
Net (decrease)/increase in cash and cash equivalents	(20 602)	8 343
Cash and cash equivalents at the beginning of the year	45 924	37 581
Cash and cash equivalents at the end of the year	25 322	45 924
Represented by:		
Bank balances	25 898	45 966
Bank overdrafts	(576)	(42)

Summarised statement of changes in equity

	Share capital R'000	Share premium R'000	Accumulated losses R'000	Other reserves R'000	Total equity before minority apportionment R'000	Non-controlling interest R'000	Total R'000
Balance at 30 June 2011	2 508	518 817	(215 144)	2 619	308 800	1 643	310 443
Shares issued in terms of vendor placements for acquisitions	25	11 275	–	–	11 300	–	11 300
Shares issued in terms of share schemes	25	9 774	–	–	9 799	–	9 799
Increase in shareholding in Cleardata to 70%	–	–	(6 569)	–	(6 569)	(931)	(7 500)
IFRS 2 Equity Reserve relating to share schemes	–	–	–	3 094	3 094	–	3 094
Share Scheme Settlement	–	–	(7 593)	(2 206)	(9 799)	–	(9 799)
Dividends declared	–	–	(22 608)	–	(22 608)	–	(22 608)
Total comprehensive income for the year ended 30 June 2012	–	–	89 471	(685)	88 786	1 739	90 525
Balance at 30 June 2012	2 558	539 866	(162 443)	2 822	382 803	2 451	385 254
Shares issued in terms of share schemes	25	16 019	–	–	16 044	–	16 044
IFRS 2 Equity Reserve relating to share schemes	–	–	–	3 996	3 996	–	3 996
Share Scheme Settlement	–	–	(13 662)	(2 382)	(16 044)	–	(16 044)
Dividends declared	–	–	(37 639)	–	(37 639)	–	(37 639)
Total comprehensive income for the year ended 30 June 2013	–	–	106 753	1 451	108 204	1 197	109 401
Balance at 30 June 2013	2 583	555 885	(106 991)	5 887	457 364	3 648	461 012

Commentary on results

Profile
 Metr@file is the market leader in both physical and digital information and records management in Africa and is represented in the six major provinces of South Africa, Mozambique, Nigeria and, through the CSX Customer Services brand, has contracts in numerous other African countries. The Metr@file Records Management division operates from 44 facilities, at 21 locations, covering more than 88,000 square metres of warehousing and office space. In accordance with its owner/lessee model, 59.6% of these facilities are owned by the group. The rest of the group's divisions lease their premises.

Services include Records Storage and Management, Image Processing, Backup Storage and Management, Records Management Software and Records Management Consultancy, Business Continuity and IT Continuity, File Plan Development, Confidential Records Destruction, Paper Recycling as well as the sale and maintenance of a wide range of business equipment, including scanners, library security systems, mailing and packaging machines.

Metr@file has been listed on the JSE Limited ("JSE") since 1995 and its ordinary shares are quoted in the "Support Services" sector of the JSE. Its largest shareholder is its empowerment partner, Mineworkers Investment Company ("MIC"), which owns 34.3% of Metr@file's equity.

Strategy
 Metr@file will continue to expand its services in the information management sector, through both innovation and acquisition; whilst a continued focus on cross-selling the group's diverse range of services to both new and existing customers remains a key part of the group's strategy. The necessity for businesses to not only archive but manage all types of records, whether they be in physical or digital format, positions the group well to assist companies with their record keeping requirements thereby mitigating risk to the organisation.

Metr@file's expansion into Africa will be driven by the demand of existing customers that have a need for similar services to those received in South Africa. With Metr@file now being established in Mozambique and Nigeria the expansion into other African countries is being explored taking into account, amongst other things, potential target countries' business and political environment, market attractiveness and overall risk.

Metr@file has a defined strategy of owning 70% of the properties, from which the Metr@file Records Management division operates, in order to optimise operational efficiency. The group also has, as a guideline, a targeted debt level of 1.5 times EBITDA and dividend cover of 2.25 times.

Financial review
 Revenue increased by 12.7% to R590.2 million, EBITDA by 9.6% to R187.5 million and EBIT by 8.0% to R159.8 million. The primary segment, Metr@file Records Management, had a strong year with double-digit growth across all indicators. The CSX Customer Services business unit had a stronger second half but still fell short of targets, the business model remains sound and prospects for the year ahead are good given the economic environment. Rainbow Paper Management has grown volumes for five years but the pulp paper price has negatively impacted both revenue and profits. Having come out of business rescue and due to a tough economic climate, Global Continuity has made losses for its first full financial year; the business has been restructured and is expected to become profitable in the 2014 financial year. Cleardata has grown well to become the market leader in confidential records destruction.

Cash generation and working capital management remained positive as cash generated from operations increased by 22.3% when compared to the prior year. Both accounts receivable and payable were higher due to the year-end falling on a Sunday, whilst inventory was reduced by R5.3 million. Net finance costs reduced by 21.2% in line with the continued reduction in the group's debt level. Net debt: equity reduced to 25.1% (June 2012: 40.0%).

Diluted earnings per share ("EPS") and headline earnings per share ("HEPS") increased by 17.2% and 17.5%, respectively, to 25.5 cents and 25.2 cents (2012: 21.7 cents and 21.5 cents) whilst the total dividend per share increased by 46.7% to 11.0 cents (2012: 7.5 cents).

As planned, the increase in CAPEX of R71.0 million was mainly for expansion and includes two new buildings totalling R28.3 million and racking of R25.5 million required for growth. The building CAPEX was accelerated due to the favourable interest rates, steel prices and the group's increased borrowing capacity. The planned investment in the 2014 financial year was to reduce; however, an opportunity has arisen to purchase two strategically important buildings which the Metr@file Records Management division already occupies; this will result in spending R40.0 million with external rentals reducing accordingly. The acquisition of the two buildings will increase the owned premises percentage to 68.2%.

Metr@file accounts for its property portfolio on a cost basis, the total of which as at June 2013 amounted to R207.5 million. The properties were valued in June 2013 resulting in an open market value of R335.8 million and a replacement value of R440.3 million.

Basis of preparation and accounting policies
 The group results have been prepared, under the supervision of Mr RM Buttle, CA (SA). The preliminary financial statements have been prepared in accordance with the framework concepts and measurement and recognition requirements of International Financial Reporting Standards (IFRS), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by Financial Reporting Standards Council, the information as required by IAS 34: Interim Financial Reporting, the JSE Listings Requirements and the requirements of the Companies Act of South Africa. The report has been prepared using accounting policies that comply with IFRS which are consistent with those applied in the financial statements for the year ended 30 June 2012. Certain accounting pronouncements became effective during the current financial year; however, these do not have a material impact on either transactions or disclosures.

Audit opinion
 The independent auditors, Deloitte & Touche, have issued their unmodified audit opinion on the group's preliminary financial statement for the 30 June 2013 year-end, in accordance with International Standards on Auditing. These financial statements have been derived from the group financial statements and are consistent in all material respects, with the group financial statements. A copy of the financial statements and audit report are available for inspection at the company's registered office. Any reference to future financial performance included in this announcement has not been reviewed or reported on by the Company's auditors.

Related parties
 In terms of a consulting agreement, and as approved at the Annual General Meeting, the MIC fees of R1.2 million (2012: R1.0 million) were paid during the year under review.

Directorate and corporate governance
 The structure of the Board and sub-committees remains unchanged with the exception of the splitting of the Nomination and Remuneration Committees into two separate committees; the membership remains the same and Mr Christopher Seabrooke chairs the Nomination Committee whilst Mrs Mary Bomela chairs the Remuneration Committee. The Board membership remains unchanged since November 2012 when Mrs Sindi Zilwa replaced Mrs Ndumi Mdelupe. The Board comprises two executive and six non-executive directors, of whom four are independent directors. Mr Nigel Matthews remains the lead independent director.

Dividends
 The continued improvement in the group's financial structure and cash flows have enabled the Board to reduce the dividend cover, for the full year, from 2.89 times in the comparative year to 2.32 times for the current year whilst simultaneously reducing net debt. Notice is hereby given that a final gross cash dividend of 6.5 cents per share in respect of the year ended 30 June 2013 has been declared payable to the holders of ordinary shares recorded in the books of the Company on Friday, 4 October 2013. The last day to trade cum-dividend will therefore be Friday, 27 September 2013 and Metr@file shares will trade ex-dividend from Monday, 30 September 2013. Payment of the dividend will be made on Monday, 7 October 2013. Share certificates may not be dematerialised or rematerialised between Monday, 30 September 2013 and Friday, 4 October 2013, both days inclusive. Withholding tax on dividends will be deducted for all shareholders who are not exempt in terms of the legislation at a rate of 15% which will result in a final net cash dividend of 5.525 cents per share. No credits in terms of Secondary Taxation on Companies (STC) were available for utilisation. The Company's issued share capital remains unchanged, at 420 252 623 shares, between the year-end date and the date of the dividend declaration. The Company's tax number is 9375066710.

Commitments
 The group continues to monitor and optimise its balance of owned and leased premises to ensure the continued availability of space to meet expansionary demand relative to the cost of unutilised facilities. Operating lease commitments amount to R66.6 million for the next five years. Planned capital expansions for the 2014 financial year amount to R41.6 million excluding any building developments and purchases.

Events after the reporting date
 There have been no material events after the reporting date.

Outlook
 Metr@file remains well positioned to expand its services geographically and through additional offerings which will see a continuation of its growth in revenue, EBITDA, earnings and dividends in the year ahead. Further, our pattern of growth continues to reflect the largely non-cyclical nature of our primary business units. This statement has not been reviewed or audited by Metr@file's auditors.

CHRISTOPHER SEABROOKE
 Non-Executive Chairman
 3 September 2013
 Senderwood
 Gauteng

GRAHAM WACKRILL
 Chief Executive Officer

METR@FILE HOLDINGS LIMITED
 Incorporated in the Republic of South Africa
 (Registration number 1983/012697/06)
 Share code: MFL
 ISIN: ZAE000061727
 ("Metr@file" or "the Company" or "the group")

Directors:
 CS Seabrooke* (Chairman)
 MS Bomela* (Deputy Chairperson)
 GD Wackrill (CEO)
 RM Buttle (CFO)
 P Langeni*
 CN Mapaire*
 IN Matthews*
 SV Zilwa*
 CP Coutts-Trotter*
 *Lead independent
 *Independent
 *Non-executive
 *Alternate to CS Seabrooke

Registered office:
 41 Wordsworth Avenue
 Senderwood, Bedfordview, 2007
 www.metrofileholdings.com